(c) Government has already introduced Technology Upgradation Fund Schemes (TUFS) which is in operation since 1-4-99. The scheme provide a reimbursement of 5% point on the interest charged by the lending agency on a project of benchmarked technology upgradation in conformity with the scheme. This Scheme covers all sectors of textiles and jute industries including garments.

Reducing Excise Duty of Textiles Exports

1533. SHRI YADLAPATI VENKAT RAO: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to reduce excise duty on textiles to boost exports;

(b) if so, the details thereof; and

(c) the recommendations made in this connection by the N.K. Singh Committee on Textiles?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) to (c) The Steering Group constituted under the chairmanship of Shri N.K. Singh has submitted its Report on Investment and Growth in Textile Industry to the Government. The Committee has made recommendations regarding the fiscal duty structure, credit requirement and financial restructuring of the textile industry. The Government has, in the Budget proposals (2003-04), announced reduction in excise duty on Polyester Filament Yarn, all spun and other filament yarns, knitted fabric, woven fabrics, and garments, etc. Besides, customs duty on specified textile machinery items and raw materials of woollen industry has also be reduced.

Subsidies and Countervailing Duties on Indian Textiles

1534. SHRI P. PRABHAKAR REDDY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the U.S. Government has threatened to impose anti-subsidy and countervailing duties on all Indian Textile and apparel products;

(b) if so, the details thereof and reasons assigned by the US Government thereto;

(c) whether the Government would take up the issue with the subsidies and countervailing measures Committee of the WTO for extending the transition period to allow the Indian products to gain export competitiveness; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) No, Sir. The Ministry of Textiles is not aware of any threat by U.S. Government to impose anti-subsidy and countervailing duties on all Indian textiles and apparel products. The US has however filed a formal request to the WTO Secretariat to determine "Export Competitiveness" of textiles and apparel items covered under HS Chapters 50 to 59 and 61 to 63 in accordance with Article 27.6(b) of the WTO Agreement on Subsidies and Countervailing Measures (ASCM).

(b) to (d) Do not arise.

Technology Upgradation Fund Scheme

1535. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government has decided to extend the existing subsidy on foreign loan under the Technology Upgradation Fund Scheme;

(b) if so, the details of the subsidy that Government is proposing to give to the textile units;

(c) the details of textile centres in the country; State-wise; and

(d) the grant that the Union Government are giving to textile centres under Textile Centres Infrastructure Development Scheme, centre-wise?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) and (b) In order to make available loans to textile industries at international interest rates Government has introduced w.e.f. 1.4.99 Technology Upgradation Fund Scheme